

MINUTES  
REGULAR MEETING  
CITY COUNCIL

September 13, 2021

Ronnie Thompson, Mayor

Sally W. Sandy, City Manager  
Louis E. Vinay, Jr., City Attorney

Wendy Cato            )  
Christopher Hawkins) Council  
Chris Jernigan        )  
Butch McSwain        )

Interpreters  
Danette Steelman-Bridges  
Ernest Williams, IV

I. Call to Order – The Mayor called the meeting to order in the Council Chamber at City Hall at 6:00 p.m.

II. Public Comment – The Mayor stated the guidelines for public comment and said speakers were to be called in order of sign-up for those who appeared in person; however, due to COVID-19 the Council was still accepting public comments via email, U.S. mail, or hand-delivered letters.

•Sharon Erwin resides at 203 South Anderson Street. Erwin stated her disappointment with the cable system. She stated that since a recent storm the HD boxes tend to freeze and have delayed speech. She also stated that several minutes each day the screen goes to black. She stated she feels that customer service has gone downhill since the HD boxes were installed. She requested “something to be done”.

•Suzette Avery resides at 612 West Concord Street. Avery stated she was echoing Ms. Erwin’s statements. She stated she wants to see the cable system do well. She expressed her frustration and disappointment with the service. She said she realizes this is a new system and there are glitches but the length of time it’s taking to resolve is not fair to customers.

No other speakers signed up, appeared, or sent letters/email.

III. Pledge of Allegiance to the Flag – The Pledge was led by Councilman McSwain.

IV. Invocation – The invocation was to be given by video by George, a Resident of J. Iverson Riddle Developmental Center. Due to technical difficulties the video was unable to be played. City Attorney Louis Vinay gave the invocation.

V. Introduction of Council – The Mayor introduced Council and staff.

## VI. Retirement Resolutions

The Mayor read a resolution honoring Timothy L. Knipp, who retired from the City of Morganton on July 1, 2021, with 20 years' service. Knipp retired from the Recreation Department as Facilities / Buildings Maintenance Supervisor. Councilman McSwain presented Knipp the resolution and thanked him for his years of service. Knipp expressed his appreciation of working with the City team.

Upon motion by Councilman Hawkins, seconded by Councilwoman Cato, and carried unanimously, the Council adopted Resolution #21-24 honoring retiree Timothy L. Knipp.

## VII. Public Advocacy Issues and Strategies

a. The City Manager announced that Jennifer Rush, Administrative Specialist in the Electric Department, was named ElectriCities 2020 Public Power Rising Star at the recent ElectriCities Annual Conference. The award recognizes an up-and-coming leader who has less than 10 years of experience and who, in that relatively short period of time, has made significant and sustained contributions to the electric utility industry and to public power specifically. Rush began her career in April 2018. The Mayor shared part of Rush's nomination which read, "Rush has endeared herself to the City's linemen by working as hard as they do, answering outage calls at all hours and keeping the linemen up-to-date with the latest information on the City's electric system that comes our way from the public. On outage calls, Rush goes the extra mile. As she takes reports of outages over the phone to share with our linemen so they can get the power back on, she also combs through social media, checking for anywhere that is affected by an outage but did not call and report the outage. This helps give our linemen a complete picture of an outage, which is critical in making sure power comes back on and stays on for all of our customers."

Councilwoman Cato presented the award to Rush. Rush stated she loves working for the City and helping each of our citizens who call in with questions or concerns. She stated that everyone comes together to make it a great city to work for.

b. The Mayor read a proclamation announcing Constitution Week 2021 as September 17-23. The proclamation urges citizens to study the Constitution and reflect on the privilege of being an American.

City Attorney Vinay read a note sent in by the Quaker Meadows Chapter of the DAR thanking the Council for the proclamation.

c. The Mayor announced CoMMA's opening night would be September 25 with Edwin McCain and Emisunshine & the Rain performing.

The Mayor stated that Farmers' Markets continue on Saturdays from 8:00 a.m. – Noon at 300 Beach Street and on Wednesdays from 11:00 a.m. – 2:00 p.m. at 111 North Green Street.

The Mayor announced the upcoming Third Thursday Art Crawl would be held in various locations throughout the City on September 16 from 5:00 – 7:00 p.m.

The Mayor stated that the Recreation Department was hosting Plow Days on October 1-2 at Catawba Meadows Park.

The Mayor also announced that it is National Small Business Week and thanked local businesses that help make Morganton successful.

VIII. North Carolina Municipal Power Agency Number 1 Update – The City Manager announced the upcoming Public Power Week, October 3 – 9, 2021. Due to COVID we will not host snacks and treats in the lobby. More details of special events will be shared in October.

IX. Consent Agenda – The City Manager presented the Consent Agenda and asked if any items should be removed; no request was made.

Upon motion by Councilwoman Cato, seconded by Councilman Jernigan, and unanimously carried, the Consent Agenda was approved and each individual item adopted as stated, those being as follows:

A. Approved minutes as for a Regular Meeting held on August 2, 2021 and a Closed Session held on August 2, 2021 as submitted.

B. Approved tax releases in the amount of \$5,195.57

C. Approved a budget amendment (Ord. #21-48) in the amount \$7,500, is to recognize receipt of payment for reimbursement of services for waterline improvements at Henderson Mill Road.

D. Approved a budget amendment (Ord. #21-47) in the amount \$11,500, to recognize receipt of payment for reimbursement of services of commercial water tap improvements at Wamsutta Mill Road.

E. Accepted a Shuttered Venue Operators Grant in the amount of \$172,125 for CoMMA.

Approved a budget amendment (Ord. #21-46) in the amount of \$172,125 to recognize the receipt of a Shuttered Venue Operators Grant.

F. Approved a budget amendment (Ord. #21-45) in the amount of \$41,916 to recognize receipt of funds for the sale of City property and to redistribute utilities expense in General Fund.

G. Approved a budget amendment (Ord. #21-44) in the amount in \$12,500 to appropriate funding for the City's administration portion of the Project Refresh Building Reuse grant.

H. Approved a budget amendment (Ord. #21-41) in the amount of \$4,084.22 to recognize receipt of payment for insurance reimbursement for damage on a sanitation truck.

Approved a budget amendment (Ord. #21-42) in the amount of \$32,924.96 to recognize the receipt of payment for insurance reimbursement for damage on a fire engine.

Approved a budget amendment (Ord. #21-43) in the amount of \$469.03 to recognize the receipt of payment for insurance reimbursement for damage on a Water Resources truck.

X. Items Removed from Consent Agenda – There were no items removed.

XI. New Business

A. Public Hearings

1. Public Hearing and Consideration of a Zoning Ordinance Text Amendment to Add a "Floating" Performance Point Category to Permit Additional Density for Affordable Housing Developments Within Table 4.6: Performance Standard Options, and by adding a new Section 4.9, Affordable Housing Standards

The Mayor opened the public hearing at 6:25 p.m.

Development and Design Director Phillip Lookadoo stated that more than 2,700 housing units are estimated to be needed over the next four years, especially in the moderate income range, to sustain the county's workforce, according to a study commissioned by the Burke County Board of Realtors.

He stated that over 1,230 Morganton renters are cost-burdened, spending more than 30% of their income on housing costs, according to an American Community Survey 2019: 5 year estimates for Morganton.

Lookadoo stated that currently the City of Morganton does not have an option for an affordable housing density bonus. Lookadoo also credited the impetus for this text amendment to ideas proposed by a developer interested in affordable housing projects. He said that Section 4.3 (Performance Standards) permits density increase options for additional units per acre on a housing development site. Points can be accrued based off of Table 4.6, Performance Standard Options.

Lookadoo suggested adding a new Section 4.9, "Affordable Housing Standards" and amending Table 4.6: "Performance Standard Options", to add a "floating" category at

the bottom titled "Affordable Housing-Section 4.9". This includes 4 bonus points for developing an affordable housing development. The new section would read as follows:

#### **4.9 Affordable Housing Standards**

**4.9.1 Purpose:** The intent of the affordable housing performance points is to encourage development of affordable housing in the City of Morganton and to facilitate achieving densities that maximize land use for this type of critical housing.

**4.9.2 Applicability and Limitations:** Meeting this standard will result in a total of four (4) performance points. The applicant has the choice of using all four points strictly for bonus points to assist in achieving the needed density under Section 4.2.3 or two points can be applied to meet the minimum points required for the Building Design criteria of Section 4.8 while the other two points are allocated strictly for the bonus density.

This performance standard shall apply to new developments that apply for and are awarded funding through the North Carolina Housing Finance Agency's Low-Income Housing Tax Credit Program. For the purposes of this standard, affordability shall be defined as housing units that will be affordable to and occupied by households with incomes at or below (80%) of area median income (AMI) for Burke County per HUD's published income limits.

A Land Use Restrictive Covenant declaring a commitment to comply with the Low-Income Tax Credit program for 30 years shall be recorded with the Burke County Register of Deeds.

Scott Berson, who resides at 708A Vinearden Road, emailed his comments regarding this topic. The email was read to the Council by the City Attorney. Berson's email follows:

"I would like to put into the record that I wholeheartedly support the proposed amendment. Housing is one of this region's greatest struggles and we will not be a successful community culturally or economically if people cannot live here. I support any addition that allows more people to experience this great place and help make it better.

I do wonder if the requirement that the development be *entirely* made up of affordable units in combination with the covenant will be met with reluctance from developers in this market. Perhaps a proportionate share (40%? 50%?) of units, rather than the entire project, may trigger points as well."

There being no further public comment, the Mayor closed the public hearing at 6:31 p.m.

Councilwoman Cato said she is grateful to staff for working on this and coming up with solutions in regard to density because housing is very needed in our area.

Upon motion by Councilman Hawkins, seconded by Councilwoman Cato, and carried unanimously, the Council approved a zoning text amendment (Ord. #21-36) adding Section 4.9 "Affordable Housing Standards", and amending Table 4.6 to include a "floating" category for "Affordable Housing", as submitted by staff.

2. Public Hearing and Consideration of a Zoning Ordinance Text Amendment to Edit the Materials Permitted Within Front Yards of LID, MID, HID, CBD, EID, and SID Districts to Permit Wood or Composite Wood Fencing

The Mayor opened the public hearing at 6:33 p.m.

Development and Design Director Phillip Lookadoo stated that currently the zoning ordinance does not permit wood or composite wood materials for fences in front yards within zoning districts other than the Neighborhood Conservation Overlay (NC-O).

Staff believes this was an oversight issue and see no reason to deny citizens the right to use this material on their properties but permit the same material in the NC-O.

There being no public comment, the Mayor closed the public hearing at 6:34 p.m.

Upon motion by Councilman McSwain, seconded by Councilman Jernigan, and carried unanimously, the Council approved a zoning ordinance text amendment (Ord. #21-37) to Table 4.17, adding wood or composite wood as an approved fencing material in front yards within the LID, MID, HID, CBD, EID, and SID zoning districts.

3. Public Hearing and Consideration of a Preliminary Plat Approval for Mollholland Estates Phase II

The Mayor opened the public hearing at 6:34 p.m.

Development and Design Director Phillip Lookadoo stated that a preliminary plat has been submitted for Phase II of Mollholland Estates subdivision. This phase consists of 31 total lots, 11 within current City of Morganton municipal boundaries and 20 outside the City Limits but within our extra-territorial zoning jurisdiction.

He said there are several minor items which will need to be addressed for compliance with the City of Morganton Subdivision Ordinance.

Lookadoo said the developer is requesting, per the Subdivision Ordinance, to be able to pay a fee-in-lieu of the required dedication of open space.

Lookadoo stated the Planning and Zoning Commission, at their regularly scheduled meeting held on August 12, 2021 voted 6-1 to recommend approval of the preliminary

plat for Phase II of Mollholland Estates making amendments as proposed by staff and requiring the dedication of the open space as required by Section 9-3003(i) of the subdivision ordinance. The Commission also approved a statement of consistency of this proposed subdivision with the Mission 2030 Comprehensive Land Use Plan.

Lookadoo said the City Council has three options: to deny the request altogether; to approve as recommended from Planning & Zoning which denies payment-in-lieu and requires dedicated green space; or to approve with change in conditions – saying the Council must set out those conditions. For instance, Council could approve and accept fee-in-lieu instead of green space.

The City Manager clarified that the possible motions were to deny the request, approve the recommendation as it came to Council from Planning & Zoning, or approved with Council defined changes and conditions. She also spoke about the pros and cons of payment-in-lieu.

The City Attorney stated that using the ordinance formula the payment-in-lieu for green space is calculated at \$3,388.

The Mayor stated there are stormwater issues at Bethel Park with Phase I and asked Lookadoo if these could be corrected with Phase II. Lookadoo stated the City has been working with NCDOT to make sure stormwater issues don't happen or to limit how it happens.

There being no further public comment, the Mayor closed the public hearing at 6:40 p.m.

Property owner Larry Mull asked if he could speak. He stated he was former CEO of Mull Inc., and Mollholland. Mull shared some history of this development saying his father bought the property in 1978. In 2005 they began the development of this subdivision and in 2007 the housing market fell and it took another 13 years to sell two lots. He stated that last year he had a developer come in to help with getting this development moving forward again. He shared that it is not an easy thing to develop properties at this time.

Mull stated that they are opposed to the addition of the side-walks on the lower side due to future development plans and they are opposed to giving any property for public green space. They would like to have a private green space for property owners, stating that Bethel Park is available to the public directly across the street from this development. They would like to pay the fee-in-lieu. Mull also requested upgraded lighting for both phases if they were able to continue to Phase II.

Councilman Jernigan asked Mull if they wanted a private green space. Mull confirmed he wanted the space to be for the property owners only and not for public use. The City Attorney clarified that the ordinance requires a "public" space, available for public use.

Councilwoman Cato asked if the recommendation from P&Z was to lengthen the sidewalk but Mr. Mull does not want to do that. The City Manager stated that Mr. Mull does not want to

do that because he has future plans for the corner property which might disrupt the sidewalk, necessitating it being built a second time.

The City Attorney stated the P&Z also chose not to accept payment-in-lieu regarding the open space. He stated these were conditions that P&Z placed on their approval.

Lookadoo stated the sidewalk was not required to be lengthened, only to go to the edge of the current property. The City Attorney stated the larger part of Phase II is not inside the City limits.

Mr. Mull stated that in the past they gave the City property for the creation of Stonebridge Drive

The City Attorney said the reason he mentioned the larger tract not being in the City limits was to clarify that in order to convey a street to the City they would have to apply for voluntary annexation.

Councilwoman Cato asked for clarification on the motion choices.

Councilman McSwain stated that with his background he is very interested in open spaces and the impact on the environment in the area. He asked Lookadoo how, when a developer looks at our subdivision ordinance, is it they can request this, or is it worded they can do payment-in-lieu. Lookadoo stated they can do it with City Council approval

Upon motion by Councilman Jernigan, seconded by Councilwoman Cato, and carried unanimously, the Council approved, without conditions, the preliminary plat for Mollholland Estates Phase II, following payment of fee-in-lieu of open space.

## B. Other Business

### 1. Consideration of Award of Entitlement Funds to Non-Profits for FY 2022

WPCOG Community Development Administrator Lisa Helton stated in the FY 2021 Action Plan that CDBG funds in the amount of \$23,600 would be used to provide assistance to non-profits that meet the goals and requirements of the CDBG program. Applications were received on August 16, 2021 and the CDBG Committee reviewed these applications based on specific requirements set forth by the CDBG program. The CDBG committee would like to recommend that the following non-profits be awarded entitlement funds:

#### 1. The Meeting Place – Request \$6,938.75 / Recommendation \$6,938.75

The Meeting Place requests CDBG funds for needed floor repairs in the bathroom at the Emergency Shelter for Woman and Children. The CDBG Committee recommends awarding \$6,938.75 for this repair.

2. Burke United Christian Ministries (BUCM) – Request \$3,000 / Recommendation \$3,000

BUCM requests CDBG funds for the Crisis Assistance Program to pay utilities and rent for low/mod income persons in Morganton in need of this type of assistance. This program awards assistance based on need and is not restricted to COVID as a reason. The CDBG Committee recommends awarding \$3,000 to this program.

3. The House of Refuge – Request \$5,000 / Recommendation \$5,000

The House of Refuge requests CDBG funds to be used for operation cost of the shelter and to buy food for the shelter. The CDBG Committee recommends awarding \$5,000 to the shelter.

4. The Outreach Center – Requested \$13,000 / Recommendation - \$4,761.25 on the condition of receiving other funding to complete pole shelter

Helton noted that after awarding CDBG funds to the three local non-profits as per their requests, there was still \$4,761.25 left that could be awarded. She stated the Outreach Center requested \$13,000 to build a pole shelter for their food distribution program which would remain outdoors in the future. The Outreach Center received CDBG funds in 2019 and 2020, so they were not given priority for funding this year. Also since requests from other non-profits was less than available funding, the CDBG Committee agreed that if The Outreach Center could obtain the remainder of the funds needed from another source for the pole shelter, the \$4,761.25 could be awarded to The Outreach Center. She stated that the Outreach Center's director, Holly Johnson, is applying for other funds to make this project work. No distribution will be made unless the project is fully funded.

Upon motion by Councilman McSwain, seconded by Councilman Hawkins, and carried unanimously, the Council awarded FY 2022 Entitlement Funds to non-profits as outlined above.

2. Consideration of Entering Into a CDBG Small Business Loan Agreement with Little Guatemala, LLC

The City Manager stated that Christian Ramazzini created Little Guatemala, LLC, in 2018 for the purpose of opening and operating a business for the production, distribution and sale of coffee and chocolates, and other services, with its principal place of business at 810 East Union Street in Morganton (a building and lot owned by the company). Little Guatemala houses an indoor soccer field, craft coffee and chocolate production, and an artisan market. The business has been quite successful, and Little Guatemala has now requested a CDBG small business loan in the amount of \$30,000 to assist in the expansion and operation of this business, including the opening of a cafe. The loan would be used to help fund costs of renovation of the building, purchase of equipment, and various upfit requirements. Little Guatemala has

researched the potential market for such a business, has presented a detailed business plan, and anticipates significant benefit from locating this business on a main thoroughfare. Little Guatemala anticipates having three (3) full-time employees, and as a condition of the loan must hire and maintain at least one (1) new employee of low- to moderate-income.

The City has set aside CDBG funds for the purpose of encouraging small businesses that meet HUD guidelines as well as the City's Mission 2030 goals. Entrepreneurial development, downtown revitalization, and tourism enhancement were each identified as essential Mission 2030 goals for economic development. This business loan is recommended by the City staff because it promotes all three of these goals.

The City will require, as a condition of this loan, personal guarantees from the owners, Christian Ramazzini and wife Erica Ramazzini, who are residents of Burke County.

The Mayor stated they have done a really nice job fixing up the building and that he enjoyed going in and watching soccer.

Councilman McSwain stated he lives in the area and said it is delightful to see what is going on there.

Councilwoman Cato stated this is the start of redevelopment in the East Union Street area and thanked Ramazzini for taking the chance on starting his business there.

Upon motion by Councilman Jernigan, seconded by Councilwoman Cato, and carried unanimously, the Council entered into a \$30,000 CDBG Loan Agreement with Little Guatemala, LLC, Christian Ramazzini, owner, to purchase inventory and equipment, and to provide work capital for the expanding business.

### 3. Consideration of Approval of Guidelines for Single-Family Housing Stimulus Program 2021 and Approval of Budget Amendments

The City Manager stated that the City is currently experiencing a housing shortage. Recent studies, the 2018 Downtown Masterplan and statistics compiled by WPCOG indicate there is a need for housing of all types in Morganton. Since January 2019, building permits for 266 multi-family dwelling units and 70 single family units have been issued. Of the 70 single-family permits, 12 were for mobile home units. The Downtown Masterplan indicated the City could support 1,100 housing units within a ten-minute walk of downtown.

There are a variety of programs administered by the State through the North Carolina Housing Finance Agency (NCHFA) that support and promote affordable housing development. The City has worked with and continues to work with developers to place these types of projects in Morganton. Over the years, the City has incentivized housing development through low interest loans. These loan programs have yielded four

second-floor housing units in downtown Morganton and 12 single-family townhome units on underutilized land in downtown.

The City Manager stated that in 1993-1994 the City was experiencing a lack of new subdivisions being created which led to a shortage of single-family lots for purchase and development. At that time the City staff introduced and the Council approved and funded an infrastructure assistance program to support new subdivision development. The program was funded for several fiscal years and ultimately yielded five new subdivisions with 107 single-family lots. The assistance provided funding for water and sewer infrastructure necessary to develop and serve newly created subdivisions.

The City staff believes that today's housing crisis warrants public assistance to encourage development of single-family units, both detached and attached, in Morganton. In order to continue growing our economy, people must be able to invest in housing in our community. The quality of life features in a community are supported by dollars spent outside of the workplace. Additionally, a workforce that lives in the community is more apt to take pride in, use, and promote all that is offered.

The proposed guidelines for this stimulus program were shared with Council. Staff is still evaluating the need to tweak them further. In order to fund this program, the staff is recommending making available \$250,000 in water funding; \$250,000 in sewer funding and \$120,000 in street construction funding.

Budget amendments are required to fully fund this program as recommended. The 2020/2021 budget already includes \$125,000 for water and \$125,000 for sewer. The additional funding for water, sewer and streets is being taken from fund balance/reserves.

The Mayor asked what happens if someone couldn't finish their project. The City Manager stated the City would have a second lien on the property to recoup any monies lost.

Councilman McSwain said he would like to compliment the staff for this proposal.

Councilman Hawkins thanked staff for being creative and for knocking the dust off a program that has worked in the past. He feels it is a great idea to incentivize housing.

The City Manager stated we need people to live here. All the things that happen here, that make Morganton special – the after-hours, restaurants, shopping, events, public recreation, all get supported by the dollars that people spend after work hours here in Morganton.

Upon motion by Councilman Hawkins, seconded by Councilman Jernigan, and carried unanimously, the Council approved Guidelines for Single-Family Housing Stimulus Program 2021, and to grant the Mayor or the City Manager the additional authority to

make such alterations, technical amendments and changes as may be necessary to implement the Guidelines.

Upon motion by Councilman Jernigan, seconded by Councilman McSwain, and carried unanimously, the Council approved a budget amendment (Ord. #21-38) in the amount of \$125,000 to appropriate retained earnings for the Housing Stimulus Program / Water.

Upon motion by Councilman McSwain, seconded by Councilman Hawkins, and carried unanimously, the Council approved a budget amendment (Ord. #21-39) in the amount of \$125,000 to appropriate retained earnings for the Housing Stimulus Program / Wastewater.

Upon motion by Councilwoman Cato, seconded by Councilman Jernigan, and carried unanimously, the Council approved a budget amendment (Ord. #21-40) in the amount of \$120,000 to appropriate retained earnings for the Housing Stimulus Program / Public Works - Streets.

4. Consideration of Award of Installment Purchase Contract for the Financing of Vehicles

The City Manager stated the City of Morganton solicited requests from five banks for financing of vehicles not to exceed \$908,623.48. The details of the financing are below:

3 Year Term:

Patrol Cars:	\$ 415,627.76
Community Services Vehicle:	<u>\$ 56,796.94</u>
Total:	\$ 472,424.70

5 Year Term:

Leaf Vac Truck:	\$ 220,848.00
Rear Loader Truck:	<u>\$ 215,350.78</u>
Total	\$ 436,198.78

As indicated below, the City received two responsive, responsible bids:

First Citizens Bank:

Interest Rate: 1.45% for both 3 and 5 year terms.

Total Interest Cost: \$36,628.15

Truist Bank (BB&T):

Interest Rate: 1.19% for 3-year term; 1.49% for 5-year term.

Total Interest Cost:

\$ 10,150.35	3-Year Term
<u>\$ 18,351.72</u>	5-Year Term
\$ 28,502.07	

Based on the compliance with the terms requested in the RFP and the total interest cost, it is the recommendation of the Finance Director that the financing be awarded to Truist Bank (BB&T).

Upon motion by Councilman Hawkins, seconded by Councilwoman Cato, and carried unanimously, the Council awarded financing to Truist Bank for a total of \$908,623.48. Broken down as \$472,424.70 at 1.19% for 3-years and \$463,198.78 at 1.49% for 5-years. (Resolution #21-25a and #21-25b)

5. Consideration of Award of Contract for Storm Drain Repair / 700 Block East Meeting Street

The City Manager stated the City's CDBG Action Plan includes providing funding to support infrastructure improvements in low-to-moderate income areas of the City. The staff has identified a needed storm drain repair in the 700 block of East Meeting Street.

On Tuesday, August 17, 2021 at 2:00 p.m. bids were received for the project. Three bids were received. See attached bid tabulation. After review of the submitted bids, Evans Construction was the lowest responsive, responsible bidder at \$68,555.72. Funding for this project is available in the public infrastructure category of the City's CDBG entitlement funding.

She stated that City staff recommends awarding this contract to Evans Construction in the amount of \$68,555.72.

The Mayor asked when the repair work would begin. The City Manager stated possibly in a couple weeks.

Upon motion by Councilman McSwain, seconded by Councilman Hawkins, and carried unanimously, the Council awarded a contract for storm drain repair on 700 block of East Meeting Street to Evans Construction in the amount of \$68,555.72.

6. Consideration of Approval of a Resolution Enacting New Temporary Outdoor Dining Guidelines

Sharon Jablonski, Director of Cultural & Creative Development, stated that over the past year and a half, in order to mitigate some of the effects of the Covid-19 pandemic on local businesses, the City has utilized outdoor dining through the use of sidewalk tables, "parklets" and "streateries" to support business and offer patrons options for dining. It has been a notable success, with local businesses reporting considerable use of such expanded opportunities. Back in June, 2020, Council adopted a set of guidelines to regulate and encourage temporary outdoor dining on public streets and sidewalks in the downtown area. After twice being extended, those guidelines expired by terms of the resolutions in January, 2021.

Because the pandemic continues, local restaurants, breweries and wineries remain under great pressure and threat. Recognizing the continuing demand for safe, alternate locations for dining and related activities, and the continuing popularity of outdoor dining, the City desires to once again set rules and requirements for such uses. The proposed new guidelines are very similar to, but somewhat more detailed than, those adopted last year. These guidelines would apply to sidewalk dining, parklets and streateries.

In addition, the proposed guidelines specifically authorize temporary, intermittent closure of a portion of King Street, just off West Union, for use as a streatory for lunch-time hours.

Unless sooner terminated by further Council action, these proposed new guidelines would continue in effect until the Governor's Covid-19 State of Emergency ends or is revoked.

The City Manager stated the parklets will be clearly marked that they are for public use and not for one particular business. There will also be information at the tables about businesses that are open for dining and beverages.

The City Attorney stated these new guidelines have no end-date unlike previous resolutions, and will continue through the Governor's State of Emergency.

Councilman McSwain asked about an item regarding permitting. He asked who has to apply for permits.

Jablonski stated that NCDOT requires restaurants to apply for encroachments but she has asked them to allow Main Street to apply. Main Street owns the parklets but has had generous help from individual establishments maintaining the areas in and around the parklets, which has been a great partnership.

The Mayor commented that he was in the meeting with NCDOT and they were pretty firm in their belief that each parklet was only for the business it was in front of. He stated that Jablonski was fairly forceful in stating that all parklets were for public use. He felt it was a very good conversation with NCDOT.

Jablonski stated the City will meet the State's requests such as ADA compliance. The parklets in front of Homers and Brown Mountain are being upgraded currently. She said that as a side note there will also be hands free QR codes that include local food and drink establishments.

Councilman Hawkins asked how far in advance would we know if the food trucks are going to be downtown so people can make plans. Jablonski stated there would be a large social media push each time the food trucks are in town. She stated the News Herald has also been good with helping to get the word out.

Councilman Jernigan asked to clarify that the public park being talked about is the park area next to root & vine which rents it from the City. Jablonski stated that owner Aimee Perez is very willing to share the space while root & vine is closed during the lunch-hours.

The City Attorney stated that, while specifying that King Street may be closed, it could be an option for other streets to be closed. The City Manager stated that it would come before Council before any other streets were closed.

Upon motion by Councilwoman Cato, seconded by Councilman Jernigan, and carried unanimously, the Council approved Resolution #21-26 Enacting New Temporary Outdoor Dining Guidelines.

7. Consideration of Approval of an Encroachment Agreement with North Carolina Department of Transportation for Parklets in the Downtown Area

The City Attorney stated that over the past year and a half, the City has utilized outdoor dining through the use of sidewalk tables, “parklets” and “streateries” to support business and offer patrons options for dining. It has been a notable success, with local businesses reporting considerable use of such expanded opportunities. Staff is working on an Encroachment Agreement with NCDOT to allow us to continue to take advantage of parklets in the Downtown area.

The City Attorney stated that we do not have an agreement yet. He stated that all of the major downtown streets are DOT Highways. NCDOT has set-out certain requirements for the parklets including the City accepting liability, the primary use of the space is for vehicular traffic. the parklets have to be moveable, would have to be removed if needed, they need to be ADA compliant, and the parklets would have to be open to the public and not the patrons of a single business. These items will be included in the agreement.

Councilwoman Cato stated she serves on a transportation board and shared that NCDOT is looking at Morganton as an example to use across the state. The City Manager stated that the City has a good relationship with local and regional NCDOT representatives.

Upon motion by Councilwoman Cato, seconded by Councilman Jernigan, and carried unanimously, the Council approved an encroachment agreement with NCDOT and authorized the Mayor or the City Manager to execute and issue that agreement on behalf of the City, together with the additional authority to make such alterations, technical amendments and changes as may be necessary to implement the agreement.

8. Consideration of an Amendment to Ordinance Concerning Board Membership for the Morganton Housing Authority

The City Attorney stated that in City’s Code of Ordinances, Section 2-7022, it provides that all members of the Housing Authority must be residents of the City, and that if any member ceases to be a resident, that member’s seat shall be declared vacant.

One current member of the Authority is considering moving to a new home outside the city limits. City staff, and the Housing Authority, have questioned whether this requirement of City residency is unduly restrictive.

Membership on some other boards and commissions appointed by the Mayor or Council is restricted—but this seems only to apply to those where membership is constrained by North Carolina statute, such as the Planning & Zoning Commission, the Board of Adjustment, and the Historic Preservation Commission. Other boards, such as Main Street Advisory, Cultural Arts, Recreation Advisory, and Cable TV/CoMPAS, have no residency requirement.

Therefore, City staff suggests amending the ordinance so as to continue the requirement of City residency at time of appointment, but permit a member who has moved to continue serving (through the end of his/her term and may be reappointed), provided that such member remain a resident of Burke County.

Councilman McSwain asked if when a term ends could a member be reappointed. The City Manager stated the person “may” be reappointed if that is the Council’s wish.

Upon motion by Councilwoman Cato, seconded by Councilman Hawkins, and carried unanimously, the Council approved the amendment the City Code of Ordinances Section 2-7022, to require that members of the Housing Authority be residents of Morganton at time of appointment, but provide they may continue to serve if they move out of Morganton during their term, as long as they remain residents of Burke County. (Ord. #21-35)

## XII. Other Items from City Manager and City Council Not on Agenda

### Consideration of Award of Contract to MBA Roofing / Historic Courthouse

The City Manager stated the Council is aware that the City of Morganton leases the Historic Burke County Courthouse and the square from Burke County. The lease agreement states that major capital maintenance/repairs of the Courthouse are shared by Burke County and the City of Morganton.

The 2020/2021 budgets for both entities include funds to replace the roof of the old courthouse.

Michael Chapman, Public Works Director, received quotes for this roof replacement from several contractors. MBA Roofing submitted a bid of \$18,604.14. Their references have been contacted. This is within the amount budgeted by the City and County.

In order to complete this work before renovations to the square are complete the roofing contractor can begin work this week. City staff is coordinating the roofing contractor’s work within the other Courthouse Square work by Wilkie and their subs.

Councilman Hawkins clarified that the City is responsible for one-half of this amount. The City Manager confirmed that was correct.

Upon motion by Councilman Jernigan, seconded by Councilman McSwain, and carried unanimously, the Council approved a contract to MBA Roofing for \$18,604.14 to replace the roof on the Historic Burke County Courthouse.

XIII. Reports – Reports were distributed to Council.

XIV. Adjournment –The Mayor adjourned the meeting at 7:41 p.m.

Preparation of Minutes. These minutes were prepared by Mikela D. Russell, Assistant City Clerk. Copies of all resolutions, ordinances and orders referenced in these minutes are intended to be incorporated into these minutes as if fully set forth herein. Prior to including them into the official minute book, the minutes have been read and approved by the City Manager and the City Attorney, then distributed to each member of the City Council for further review and final approval, at a subsequent Council Meeting.

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Mayor

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Assistant City Clerk